Ce: Tom M1023/07/ 462

May 22, 2006

Dept. of Oil Gas and Mining 1594 West North Temple Suite 1210 P. O. Box 145801 Salt Lake City, Utah JUN 2 7 2006

DIV. OF OIL. GAS & MINING

Subject: HICAL #1 Mine Plan

Because the Division has ignored the third party mine reclamation estimate and has arbitrarily set an excessive amount of bonding on said property per acre, along with other regulations; this mine cannot operate profitably. The mine operators have chosen to reclaim the mine and closeout the large mine plan.

My partner, Terry Steele and I will bond for approximately two acres and keep the claims and the Small Mine Plan intact.

The reclamation will begin as soon as possible and should be done by 10, 2006. The reseeding will be done in October.

Respectfully submitted

Robert L Steele 1055 North 400 East Nephi, Utah 84648